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## **AkzoNobel integrates Grupo Orbis Coatings financials into respective Performance Coatings business units; updates 2022 comparative figures**

(AKZA; AKZOY)

Effective January 1, 2023, AkzoNobel has integrated the Grupo Orbis Coatings financials into the respective Performance Coatings business units and updated the 2022 comparative figures. A summary of the changes is included below. The changes do not have an effect on AkzoNobel's reported consolidated statement of income and balance sheet.

- In line with the timeline for the integration of the Grupo Orbis activities, acquired as per April 2022, the Grupo Orbis coatings financials were reallocated from business unit Other in Performance Coatings to the respective business units in the Performance Coatings segment. The related statement of income and balance sheet items have been transferred to the respective business units in Performance Coatings
- Due to the integration of all resins activities in Latin America into the Industrial Coatings business unit, these activities have been reallocated from the Decorative Paints Latin America business unit (in the Decorative Paints segment) to the Industrial Coatings business unit (in the Performance Coatings segment). The related statement of income and balance sheet items have been transferred to the Industrial Coatings business unit in Performance Coatings
- Other changes mainly relate to further updates to functional cost reporting. These changes are not material, both individually and in aggregate

An overview of the updated quarterly key financial figures resulting from the above changes is included in the appendix.

# Appendix - updated financials

## Key financial figures

										2022
in € millions	Q1 reported	Q1 updated	Q2 reported	Q2 updated	Q3 reported	Q3 updated	Q4 reported	Q4 updated	Full-year reported	Full-year updated
<b>Revenues</b>										
Decorative Paints EMEA	600	600	673	673	623	623	509	509	2,405	2,405
Decorative Paints Latin America	119	111	201	196	240	231	234	229	794	767
Decorative Paints Asia	287	287	308	308	307	307	270	270	1,172	1,172
<b>Decorative Paints</b>	<b>1,006</b>	<b>998</b>	<b>1,182</b>	<b>1,177</b>	<b>1,170</b>	<b>1,161</b>	<b>1,013</b>	<b>1,008</b>	<b>4,371</b>	<b>4,344</b>
Powder Coatings	344	344	354	356	343	348	335	337	1,376	1,385
Marine and Protective Coatings	301	301	342	346	368	374	363	368	1,374	1,389
Automotive and Specialty Coatings	340	340	354	359	354	361	342	347	1,390	1,407
Industrial Coatings	533	541	578	614	566	617	504	546	2,181	2,318
Other activities	–	–	42	–	60	–	49	–	151	–
<b>Performance Coatings</b>	<b>1,518</b>	<b>1,526</b>	<b>1,670</b>	<b>1,675</b>	<b>1,691</b>	<b>1,700</b>	<b>1,593</b>	<b>1,598</b>	<b>6,472</b>	<b>6,499</b>
<b>Other activities</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>–</b>	<b>–</b>	<b>3</b>	<b>3</b>
<b>Total</b>	<b>2,525</b>	<b>2,525</b>	<b>2,853</b>	<b>2,853</b>	<b>2,862</b>	<b>2,862</b>	<b>2,606</b>	<b>2,606</b>	<b>10,846</b>	<b>10,846</b>
<b>EBITDA<sup>1</sup></b>										
Decorative Paints	151	150	164	163	144	144	87	85	546	542
Performance Coatings	190	191	155	156	142	142	128	130	615	619
Other activities	(20)	(20)	(27)	(27)	(21)	(21)	(17)	(17)	(85)	(85)
<b>Total</b>	<b>321</b>	<b>321</b>	<b>292</b>	<b>292</b>	<b>265</b>	<b>265</b>	<b>198</b>	<b>198</b>	<b>1,076</b>	<b>1,076</b>
<b>EBITDA margin (in %)<sup>1</sup></b>	<b>12.7</b>	<b>12.7</b>	<b>10.2</b>	<b>10.2</b>	<b>9.3</b>	<b>9.3</b>	<b>7.6</b>	<b>7.6</b>	<b>9.9</b>	<b>9.9</b>
<b>Adjusted EBITDA<sup>2</sup></b>										
Decorative Paints	142	141	169	168	148	148	93	91	552	548
Performance Coatings	188	189	187	188	149	149	140	142	664	668
Other activities	(13)	(13)	(19)	(19)	(14)	(14)	(13)	(13)	(59)	(59)
<b>Total</b>	<b>317</b>	<b>317</b>	<b>337</b>	<b>337</b>	<b>283</b>	<b>283</b>	<b>220</b>	<b>220</b>	<b>1,157</b>	<b>1,157</b>
<b>Adjusted EBITDA margin (in %)<sup>2</sup></b>	<b>12.6</b>	<b>12.6</b>	<b>11.8</b>	<b>11.8</b>	<b>9.9</b>	<b>9.9</b>	<b>8.4</b>	<b>8.4</b>	<b>10.7</b>	<b>10.7</b>

<sup>1</sup> EBITDA is operating income excluding depreciation and amortization; EBITDA margin is EBITDA as percentage of revenues.

<sup>2</sup> Adjusted EBITDA is operating income excluding depreciation, amortization and identified items; Adjusted EBITDA margin is adjusted EBITDA as percentage of revenues.

# Appendix - updated financials

## Key financial figures

									2022	
in € millions	Q1 reported	Q1 updated	Q2 reported	Q2 updated	Q3 reported	Q3 updated	Q4 reported	Q4 updated	Full-year reported	Full-year updated
<b>Operating income</b>										
Decorative Paints	113	111	128	128	102	102	49	47	392	388
Performance Coatings	150	152	112	112	98	98	84	86	444	448
Other activities	(31)	(31)	(35)	(35)	(32)	(32)	(30)	(30)	(128)	(128)
<b>Total</b>	<b>232</b>	<b>232</b>	<b>205</b>	<b>205</b>	<b>168</b>	<b>168</b>	<b>103</b>	<b>103</b>	<b>708</b>	<b>708</b>
<b>OPI margin (in %)<sup>3</sup></b>										
Decorative Paints	11.2	11.1	10.8	10.9	8.7	8.8	4.8	4.7	9.0	8.9
Performance Coatings	9.9	10.0	6.7	6.7	5.8	5.8	5.3	5.4	6.9	6.9
Other activities <sup>3</sup>										
<b>Total</b>	<b>9.2</b>	<b>9.2</b>	<b>7.2</b>	<b>7.2</b>	<b>5.9</b>	<b>5.9</b>	<b>4.0</b>	<b>4.0</b>	<b>6.5</b>	<b>6.5</b>
<b>Adjusted operating income</b>										
Decorative Paints	105	103	133	133	105	105	54	52	397	393
Performance Coatings	149	151	143	143	105	105	96	98	493	497
Other activities	(24)	(24)	(27)	(27)	(26)	(26)	(24)	(24)	(101)	(101)
<b>Total</b>	<b>230</b>	<b>230</b>	<b>249</b>	<b>249</b>	<b>184</b>	<b>184</b>	<b>126</b>	<b>126</b>	<b>789</b>	<b>789</b>
<b>ROS (in %)<sup>4</sup></b>										
Decorative Paints	10.4	10.3	11.3	11.3	9.0	9.0	5.3	5.2	9.1	9.0
Performance Coatings	9.8	9.9	8.6	8.5	6.2	6.2	6.0	6.1	7.6	7.6
Other activities <sup>4</sup>										
<b>Total</b>	<b>9.1</b>	<b>9.1</b>	<b>8.7</b>	<b>8.7</b>	<b>6.4</b>	<b>6.4</b>	<b>4.8</b>	<b>4.8</b>	<b>7.3</b>	<b>7.3</b>
<b>Average invested capital<sup>5</sup></b>										
Decorative Paints	2,997	2,990	3,226	3,220	3,450	3,447	3,678	3,677		
Performance Coatings	3,593	3,600	3,721	3,727	3,856	3,859	3,894	3,895		
Other activities	418	418	385	385	438	438	490	490		
<b>Total</b>	<b>7,008</b>	<b>7,008</b>	<b>7,332</b>	<b>7,332</b>	<b>7,744</b>	<b>7,744</b>	<b>8,062</b>	<b>8,062</b>		
<b>ROI%<sup>6</sup></b>										
Decorative Paints	18.1	18.0	15.1	15.1	12.9	12.8	10.8	10.7		
Performance Coatings	16.0	16.0	14.7	14.7	13.6	13.7	12.7	12.8		
Other activities <sup>6</sup>										
<b>Total</b>	<b>14.5</b>	<b>14.5</b>	<b>12.7</b>	<b>12.7</b>	<b>11.3</b>	<b>11.3</b>	<b>9.8</b>	<b>9.8</b>		

<sup>3</sup> OPI margin is operating income as percentage of revenues. OPI margin for Other activities is not shown, as this is not meaningful.

<sup>4</sup> ROS is adjusted operating income as percentage of revenues. ROS for Other activities is not shown, as this is not meaningful.

<sup>5</sup> Invested capital is total assets (excluding cash and cash equivalents, short-term investments, investments in associates, the receivable from pension funds in an asset position, assets held for sale) less current income tax payable, deferred tax liabilities and trade and other payables.

<sup>6</sup> ROI is adjusted operating income of the last 12 months as percentage of average invested capital. For the calculation of ROI, the 2021 reported figures and 2022 updated figures were used. ROI for Other activities is not shown, as this is not meaningful.